UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	**CRIMINAL COMPLAINT**
	:	
v.	:	
	:	6150
RONNIE L. FAISON	:	Mag. No. 08-[redacted] (MAS)
and SERGIO GONZALEZ	:	

I, Tanya Chavez, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

From in or about September 25, 2006 to in or about August 27, 2007, in Bergen County, in the District of New Jersey and elsewhere, defendants

RONNIE L. FAISON
and
SERGIO GONZALEZ

while RONNIE L. FAISON and SERGIO GONZALEZ were agents of a local government agency, did knowingly and willfully embezzle, steal, obtain by fraud, or otherwise without authority knowingly convert to the use of any person other than the rightful owner and intentionally misapply property that was valued at $5,000 or more, and was owned by, or was under the care, custody, or control of a local government agency, where the local government agency received in a one-year period in excess of $10,000 in federal funds.

In violation of Title 18, United States Code, Section 666(a)(1)(A) and Section 2.

I further state that I am a Special Agent with the Department of Housing and Urban Development, Office of the Inspector General, and that this complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached page and made a part hereof.

Tanya Chavez, Special Agent
Office of the Inspector General, HUD

Sworn to before me and subscribed in my presence,
October 17, 2008, at Newark, New Jersey

HONORABLE MICHAEL A. SHIPP
UNITED STATES MAGISTRATE JUDGE

Signature of Judicial Officer

ATTACHMENT A

I, Tanya Chavez, am a Special Agent with the United States Department of Housing and Urban Development ("HUD"), Office of the Inspector General. I have personally participated in this investigation and am aware of the facts contained herein, based upon my own investigation, as well as information provided to me by other law enforcement officers. Because this Attachment A is submitted for the limited purpose of establishing probable cause, I have not included herein the details of every aspect of the investigation. Statements attributable to individuals contained in this Attachment are related in substance and in part.

1. At all times relevant to this Complaint, defendant RONNIE L. FAISON was employed by the Engelwood Housing Authority in Engelwood, New Jersey (the "Engelwood Housing Authority" or the "EHA"). During that time, RONNIE L. FAISON was the Deputy Director in charge of Maintenance ("Deputy Director"). In his capacity as Deputy Director, RONNIE L. FAISON was the "small" purchasing agent at the EHA. As "small" purchasing agent, he would obtain written quotes from vendors charging the EHA less than $11,000 for goods or services, and verbal quotes from vendors charging the EHA less than $1,500 for goods and services. After the EHA's Board or Executive Director signed off on the lowest price quote received from a particular vendor, RONNIE L. FAISON would approve purchase orders, for the EHA, and authorize payment to the winning vendor. RONNIE L. FAISON also had signatory authority on checks issued from the EHA's bank accounts.

2. At all times relevant to this Complaint, defendant SERGIO GONZALEZ was employed by the EHA. During that time, SERGIO GONZALEZ was employed as Bookkeeper. In that capacity, SERGIO GONZALEZ maintained and reconciled the EHA's bank accounts and was responsible for, among other things, communicating directly with vendors relating to accounts to be paid. Further, after obtaining consent from either the EHA's Board or Executive Director, SERGIO GONZALEZ prepared the bill list for approval of vendors' invoices, oversaw all bank accounts at the EHA, and was authorized to issue checks to vendors on the EHA's behalf.

3. The EHA administered the Section 8 program for HUD. Section 8 was designed to aid low-income families in obtaining a decent place to live and promote economically mixed housing. Under the Section 8 program, HUD enters into housing assistance payment contracts with private property owners and determines the maximum monthly rate that the owner may charge for each dwelling. HUD also makes annual contribution contracts with local public housing agencies, in this case, the EHA, which in turn makes rental payments on behalf of qualifying Section 8 recipients to the owners of dwelling units.

4. At all times relevant to this Complaint, Westmore Gardens, located in Engelwood, New Jersey, was a 64-unit multi-family public housing complex that received federal funding from HUD. The Tibbs Building, also located in Engelwood, was a 152-unit HUD subsidized senior citizen building. Westmore Gardens received Section 8 monies and was managed by the EHA. The Tibbs Building received public housing monies from HUD and was managed by the EHA.

5. At all times relevant to this Complaint, RONNIE L. FAISON and SERGIO GONZALEZ misappropriated Section 8 funds and other HUD monies earmarked for Westmore Gardens and the Tibbs Building.

6. On or about September 25, 2006, SERGIO GONZALEZ generated a check from the EHA in the amount of $1,200.38 to pay a billing statement from a general contracting store in Hackensack, New Jersey. Included in the billing statement for the general contracting store was a purchase made by RONNIE L. FAISON on or about July 6, 2006, for $542.59 for a refrigerator and ice-line. According to records from the general contracting store, the refrigerator was purchased via "special order"and was delivered to an address in Cliffside Park, New Jersey. Records revealed that that address belonged to an EHA employee. On or about October 8, 2008, the EHA employee told law enforcement officers that RONNIE L. FAISON agreed to purchase the refrigerator and ice-line for the employee, and that RONNIE L. FAISON purchased the items using EHA funds.

7. On or about July 3, 2007, SERGIO GONZALEZ generated a check from the EHA in the amount of $2,488.78 to reimburse himself for the purchase of a television for the Tibbs Building. RONNIE L. FAISON was one of the signatories on the check. On or about July 5, 2007, SERGIO GONZALEZ, on behalf of the EHA, went to a Paramus, New Jersey appliance store ("Appliance Store No. 1") and asked a sales representative for a $2,328 quote on a 50" Zenith television--even though that television was on sale at half price at that time. As requested, the sales person gave SERGIO GONZALEZ the $2,328 quote. The following day, on or about July 6, 2007, SERGIO GONZALEZ purchased two 50" Zenith televisions from Appliance Store No. 1 for $2,328.21. In addition, SERGIO GONZALEZ purchased accessories for the Zenith television totaling $ 374.48. SERGIO GONZALEZ used his personal credit card to purchase the two televisions, and was reimbursed in full by the EHA. One of the two televisions was delivered and installed (using the accessories) in a common area at the Tibbs Building. On or about August 27, 2007, law enforcement officers recovered the other 50" Zenith television, worth $1,164, at SERGIO GONZALEZ's home in Paramus, New Jersey.

8. On or about August 1, 2007, SERGIO GONZALEZ generated two checks from EHA totaling $1,568.89 to an Engelwood appliance store (Appliance Store No. 1) for four refrigerators totaling $1,568.89. RONNIE FAISON was one of the signatories on the check. EHA work orders noted that the refrigerators were to be installed in three units at the Tibbs Building and one unit at Westmore Gardens. On or about August 3, 2007, SERGIO GONZALEZ cancelled the EHA's order for two of the four refrigerators and, in their place, ordered a General Electric washer and dryer, and Monster Ipod AC. According to Appliance Store No. 1 employees, on or about August 3, 2007, SERGIO GONZALEZ picked up the two refrigerators and the General

Electric washer and dryer. On or about August 28, 2007, law enforcement officers recovered the General Electric washer and dryer, worth approximately $775, at SERGIO GONZALEZ's home in Paramus, New Jersey. The Monster Ipod AC was never recovered.

9. On or about July 27, 2007, RONNIE L. FAISON, on the EHA's behalf, ordered three sets of kitchen cabinets, totaling $3,200, from a Paterson, New Jersey kitchen store. The three sets of cabinets were to be installed in a unit at Westmore Gardens that had sustained fire damage. On or about August 3, 2007, RONNIE L. FAISON caused SERGIO GONZALEZ to generate a check from the EHA in the amount of $3,200 to be issued to the Paterson kitchen store. The cabinets were fabricated and delivered to the EHA on or about August 7, 2007. RONNIE L. FAISON then had EHA maintenance workers load the kitchen cabinets onto a red EHA truck. One day later, on or about August 8, 2008, according to an eyewitness, the red EHA truck was parked in front of the New York, New York church where RONNIE L. FAISON serves as a pastor.

10. A review of all 64 units at Westmore Garden reveal that the three kitchen wall cabinets ordered by RONNIE L. FAISON were not installed in units at Westmore Gardens. In addition, a review of the specification of the wall kitchen cabinets ordered from the Paterson kitchen store reveal that they were too big to fit in any kitchen unit in Westmore Gardens.

11. On or about August 6, 2007 and August 8, 2007, SERGIO GONZALEZ generated two EHA checks to another Paramus Appliance ("Appliance Store No. 2") for four refrigerators and one for an air conditioner totaling $1,775.92. RONNIE FAISON was one of the signatories on the check. The EHA work orders for these items noted that they were to be installed in units at the Tibbs Building. According to Appliance Store No. 2 employees, on or about August 3, 2007, the same day of the purchase, SERGIO GONZALEZ cancelled the EHA's order for the four refrigerators and one air conditioner and instead purchased a 37" Toshiba flat screen television, a Toshiba DVD/VCR combo, television accessories and Motorola cordless telephone. On or about August 27, 2007, law enforcement officers recovered the Toshiba 37" flat panel television, worth approximately $1,200 (still in the box), and the Toshiba DVD/VCR combo worth approximately $100, at RONNIE L. FAISON's home in Engelwood, New Jersey. On or about August 27, 2007, law enforcement officers recovered the Motorola cordless phone, worth approximately $30, at SERGIO GONZALEZ's home in Paramus, New Jersey

12. On or about August 20, 2007, SERGIO GONZALEZ generated a check from the EHA, to Appliance Store No. 2, for a stove and accessories totaling $394.94. The EHA work order noted that the stove was to be installed in a unit at the Tibbs Building. Subsequently, on or about August 20, 2007, the EHA caused a check totaling $394.94 to be sent to Appliance Store No. 2. According to Appliance Store No. 2 employees, SERGIO GONZALEZ subsequently cancelled the EHA's stove order and instead purchased a Weber Grill for $513. The difference between the stove originally ordered and Weber Grill subsequently purchased by SERGIO GONZALEZ was paid by SERGIO GONZALEZ. On or about August 22, 2007, SERGIO GONZALEZ picked up the Weber Grill from Appliance Store No. 2. On or about August 27, 2007, law enforcement officers recovered the Weber Grill from SERGIO GONZALEZ's home in Paramus, New Jersey.

13. On or about August 27, 2007, SERGIO GONZALEZ, during an audio recorded interview, admitted to law enforcement officers, in substance and in part, that he used EHA funds to purchase the Weber Grill, and that RONNIE L. FAISON was aware that SERGIO GONZALEZ was using EHA monies for SERGIO GONZALEZ's private gain.

14. During each one-year period relevant to this Complaint, the EHA received in excess of $10,000 in federal funding.

15. Based on the aforementioned facts, there is probable cause to believe that RONALD FAISON and SERGIO GONZALEZ stole, obtained by fraud, misappropriated and intentionally misapplied EHA funds for their benefit and the benefit of others.